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DECISION



**THE COMPTROLLER GENERAL
OF THE UNITED STATES
WASHINGTON, D.C. 20548**

FILE: B-188157

DATE: March 1, 1977

MATTER OF: Connell Brothers Company, Ltd.

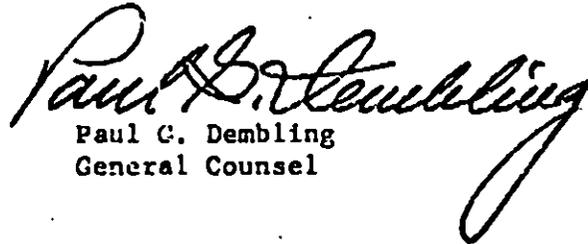
DIGEST:

United States' purchase of prefabricated housing on behalf of foreign government pursuant to section 22(a) of Foreign Military Sales Act will not involve spending of appropriated funds. Therefore purchase is not subject to General Accounting Office's settlement authority and protest is dismissed.

Connell Brothers Company, Ltd. (CBC) has protested certain specification requirements under the U.S. Army Corps of Engineers' (Corps) Invitation for Bids (IFB) DACA87-77-B-0026.

By letter received in this Office on February 15, 1977 the Corps informed us that this case involves a cash sale of defense articles pursuant to section 22(a) of the Foreign Military Sales Act, as amended, 22 U.S.C. 2762(a) (Supp. V, 1975). In Tele-Dynamics, Division of AMBAC Industries, 55 Comp. Gen. 674, 76-1 CPD 60, we held that, because such transactions do not involve the expenditure of appropriated funds and are not subject to our settlement authority, this Office would not render decisions on such transactions. Section 20.1(a) of GAO's Bid Protest Procedures, 4 CFR 20 (1976).

Under the rationale of Tele-Dynamics, supra, we see no useful purpose in our considering the matter; therefore, the protest is dismissed.


Paul G. Dembling
General Counsel